

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
MEDICAL ASSISTANCE ADMINISTRATION  
Olympia, Washington**

**To:** Clinics  
Federally Qualified Health Centers  
Rural Health Clinics  
Physicians  
Advanced Registered Nurse Practitioners  
Managed Care Plans  
CSO Administrators  
Regional Administrators

**Memorandum No: 02-35 MAA**

**Issued:** June 7, 2002

**For Information Call:**

1-800-562-6188

**Supersedes:** 00-71 MAA

**From:** Douglas Porter, Assistant Secretary  
Medical Assistance Administration (MAA)

**Subject: Vendor Rate Increase and Updated Instructions for billing for the  
Diabetes Education Program**

**Effective for dates of service on and after July 1, 2002**, the Medical Assistance Administration (MAA) will implement a legislatively appropriated one and one-half (1.5) percent vendor rate increase. Updated instructions for billing are also discussed.

**Maximum Allowable Fees**

The 2001-2003 Biennium Appropriations Act authorizes this one and one-half (1.5) percent vendor rate increase for MAA fee-for-service programs.

The new maximum allowable fees for diabetes education are as follows:

<b>Core Module</b>	<b>State-Unique Procedure Code</b>	<b>7/1/02 Maximum Allowable Fee</b>
Nutrition	1650M	\$45.68 per hour
Exercise	1651M	\$45.68 per hour
Prevention of Acute Complications	1652M	\$45.68 per hour
Prevention of Chronic Complications	1653M	\$45.68 per hour
Monitoring	1654M	\$45.68 per hour
Medication	1655M	\$45.68 per hour

- Units are billed in increments of one hour (1 hour = 1 unit).
- MAA reimburses a maximum of **six (6) hours of core modules per client, per calendar year.**

- Procedure codes may be billed as a single unit, in multiple units, and/or in combinations for a maximum of six hours (6 units). For example, a client may receive two hours (2 units) of the prevention of chronic complications module (1653M x 2); three hours (3 units) of the nutrition module (1650M x 3); and one hour (1 unit) of the medication module (1655M x 1).
- A minimum of **one hour must be provided** per billed module. Any combination of the core modules may be taught to meet the individual needs of the client. Bill using the procedure code that represents the major content area.
- Diabetes education may be provided in a group or individual setting, or a combination of both, depending on the client's needs.



**Note:** MAA does not reimburse for diabetes education if those services are an expected part of another program provided to the client (e.g. school-based health services or adult day health services).

### **Provider Qualifications/Requirements**

- All physicians, ARNPs, clinics, hospitals, Federally Qualified Health Centers, and Rural Health Clinics are eligible to apply to be a diabetes education provider. MAA requires that established criteria be used to evaluate all applications. Criteria are developed and applications evaluated by the Diabetes Control Program (DCP) at the Department of Health (DOH).
- For more information on becoming a diabetes education provider and to obtain an application, write or call:

Diabetes Control Program  
Department of Health  
PO Box 47836  
Olympia, WA 98504-7836  
(360) 236-3617

- Once the approval has been given by DOH, an MAA billing provider number will be assigned. Use this billing provider number on all diabetes education claims billed to MAA.

### **Billing and Reimbursement Requirements**

- In order to participate in the diabetes education program, the client must be referred by a licensed primary health care provider.
- In order to receive reimbursement for diabetes education, the provider must:
  - ✓ Bill using the state-unique procedure codes listed on page one of this memorandum;
  - ✓ Bill using the MAA-assigned diabetes education *billing provider number*.  
**Only clinics can bill for diabetes education using an approved *billing provider number*** – individual instructors may not bill using their *performing provider numbers* alone;
  - ✓ In addition to the approved billing group or clinic provider number, a valid MAA-assigned performing provider number or the name of the performing provider (if there is not a valid performing provider number) must be entered in the appropriate box on the claim form as outlined below:
    - For direct entry, key the valid performing provider number in the appropriate numeric field, or key the name of the performing provider in the comment field.
    - For electronic entry, key the valid performing provider number or the name of the performing provider in the performing provider field.
    - For hard copy (HCFA-1500 claim form), indicate the valid performing provider number or the name of the performing provider in the Physician Identification Number (PIN#) field in box 33.

To obtain this numbered memorandum electronically, go to MAA's website at <http://maa.dshs.wa.gov> (click on the Provider Publications/Fee Schedules link).